

Blue Water Area Convention Center

October 27, 2011



Description of the Project

St. Clair County is preparing to construct a conference and convention facility located along one of the most breathtaking points of the St. Clair River. The convention facility will offer unprecedented views of Lake Huron, the Blue Water Bridges and the St. Clair River. This facility and its location will offer visitors an experience that will draw them back to the community again and again.

The renovation of the existing hotel, a new restaurant, an extensive expansion of conference facilities, and new culinary institute will draw new visitors and spark significant private investment!

St. Clair County is located northeast of metropolitan Detroit. The county seat of Port Huron is approximately 40 minutes from Detroit. It is readily accessible via I-94 from Detroit, I-69 from Lansing and Flint, and highway 402 from London and Toronto, Canada.

St. Clair County offers its residents and visitors unique opportunities to enjoy the Great Lakes, pristine woodlands and the world's largest freshwater delta - all within a short drive of 7.4 million people.

Public/Private Partnership

This proposed project is truly a shining example of a public/private partnership. St. Clair County is working together with the private sector to facilitate this significant project. The Meritage Hospitality Group, owner of the Twisted Rooster restaurants along with the Hilton Garden Inn plans a collaborative relationship with Baker College to provide students with experience in the food and hospitality/convention atmosphere, maximizing the proximity of the culinary school and location of the restaurant and convention center. The combination of a newly renovated hotel, restaurant, culinary school and convention center will bring together all the resources necessary for a successful public/private partnership.



Blue Water Area Convention Center

The catalyst for this entire endeavor is a new convention and banquet facility which has been investigated by both the City of Port Huron and St. Clair County starting in early 2010. The feasibility study concluded that the area was in need of approximately 40,000 square feet of mixed-use areas to handle a vast array of functions. It was also mandated that it be connected to a major hotel.

The new Blue Water Area Convention Center design will provide ballroom and meeting space, the new home of the Blue Water Area Convention and Visitors Bureau, approximately 20,000 square feet of high bay area to accommodate concerts, shows and exhibits and two major breakout areas for weddings, riverfront dining and events.

No major kitchen upgrade costs will be incurred by the county since the private developers will be constructing a new state-of-the-art restaurant with an oversized kitchen able to handle all food and beverage catering for the entire facility, saving the county a considerable amount of money.



Renovation and Conversion of The Thomas Edison Inn into a Hilton Garden Inn

Established 24 years ago as a 149-key hotel and currently dominating the view from the Blue Water Bridge, this landmark hotel will undergo a total interior and exterior renovation and upgrade to become a Hilton Garden Inn. The branding will include incorporation of Hilton Garden Inn standards and benefit of connection to the Hilton Garden Inn marketing and reservations services. Typical of the Hilton Garden Inn format, complimentary breakfast is offered to hotel guests in a gathering space near the hotel lobby, along with the convenience of a porte cochere entry and dedicated hotel parking.

The current community workout facility now enjoyed by both private members and hotel guests will be renovated to function as an asset to the hotel, but will retain its unique membership availability for members in the Port Huron community. The hotel will remain accessible and available for bookings throughout the course of renovation and will remain open during construction of all components of the overall riverfront plan.

The New Hilton Garden Inn will be owned by JB Development and managed by Hospitality Specialists Inc., a nationally known owner and operator of hotels under the Hilton and Marriott Franchises.



Twisted Rooster Restaurant

Twisted Rooster is a unique restaurant concept introduced to Michigan in the summer of 2010 by Meritage Hospitality Group. With the launch of this bold restaurant concept, the Company introduced its Commit to the Mitt campaign, promoting fresh, locally grown products and Made in Michigan beers, wines, and spirits. Twisted Rooster's menu is made-from-scratch American cuisine with a twist using these fresh products.

Port Huron's Twisted Rooster will be situated adjacent to the renovated hotel with an outdoor lounge overlooking the scenic St. Clair River. The restaurant will provide lunch and dinner service to both hotel guests and the general public. The spacious floor plan will accommodate over 400 patrons both indoors and at the outdoor lounge, and the new state-of-the-art kitchen will allow for menu creativity and provide catering opportunities.

Twisted Rooster is owned and operated by Meritage Hospitality Group, Inc., a publicly traded company currently celebrating 25 years in business. Meritage operates 89 restaurants with 2,700 employees in three states.



Baker College

Giving the riverfront development plan new meaning for the Port Huron community and making it uniquely exciting is the addition of a new Baker College of Port Huron culinary arts program. Baker's Port Huron campus currently offers more than 50 academic programs, including dental hygiene and assisting, veterinary technology, medical laboratory technician, criminal justice, human services, gerontology, information technology and security, truck driving, accounting, business administration and teacher preparation.

Baker College already has a world-class culinary arts program in Muskegon at the Baker College of Muskegon Culinary Institute of Michigan. Led by the Dean of Culinary, Robb White, the program has thrived for thirteen years. Chef Robb will be sharing his expertise and providing guidance for Baker's Port Huron campus during the construction phase and through the start-up of the culinary arts program.

Baker College of Port Huron plans a 20,000 square foot, two-story educational institute with dedicated parking to adjoin the hotel/restaurant/convention center property. The structure is designed to include instructional kitchens and all required support facilities including classrooms, a multi-purpose room, staff offices and a student lounge. In addition, it will house a 50-seat educational restaurant that will function for three quarters of the year, allowing students to practice their craft in a real-world restaurant, and giving the public the opportunity to sample creative offerings that represent the results of Baker's outstanding culinary program.

In addition, the new facility will accommodate space for expansion. Located on the southwestern border of the parcel, future plans might include two multi-story dwellings to provide housing for Baker College of Port Huron students enrolled in the new culinary arts program.



Fact Sheet

- ◆ Phase One Construction Investment:

Hotel & Restaurant:	\$ 9.5 Million Private Investment
Kitchen Equipment:	\$ 0.8 Million Private Investment
Convention Center:	\$ 9.0 Million Public Investment
Baker College:	\$ 4.0 Million Private Investment
Total Phase One Investment:	\$23.3 Million

- ◆ Phase Two Construction Investment:

Student Housing:	\$ 4.5 Million
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- ◆ Project Size: 15.5 Acres

- ◆ Square Footage:

Hotel-155,000 sf
Restaurant-6,500 sf
Convention Center-40,000 sf
Baker College-20,000 sf

- ◆ Construction Jobs: More than 100 jobs lasting up to 18 months

- ◆ New Permanent Jobs: Approximately 100 permanent positions ranging from \$12-\$18/hour

- ◆ Number of Rooms: 149 guest rooms

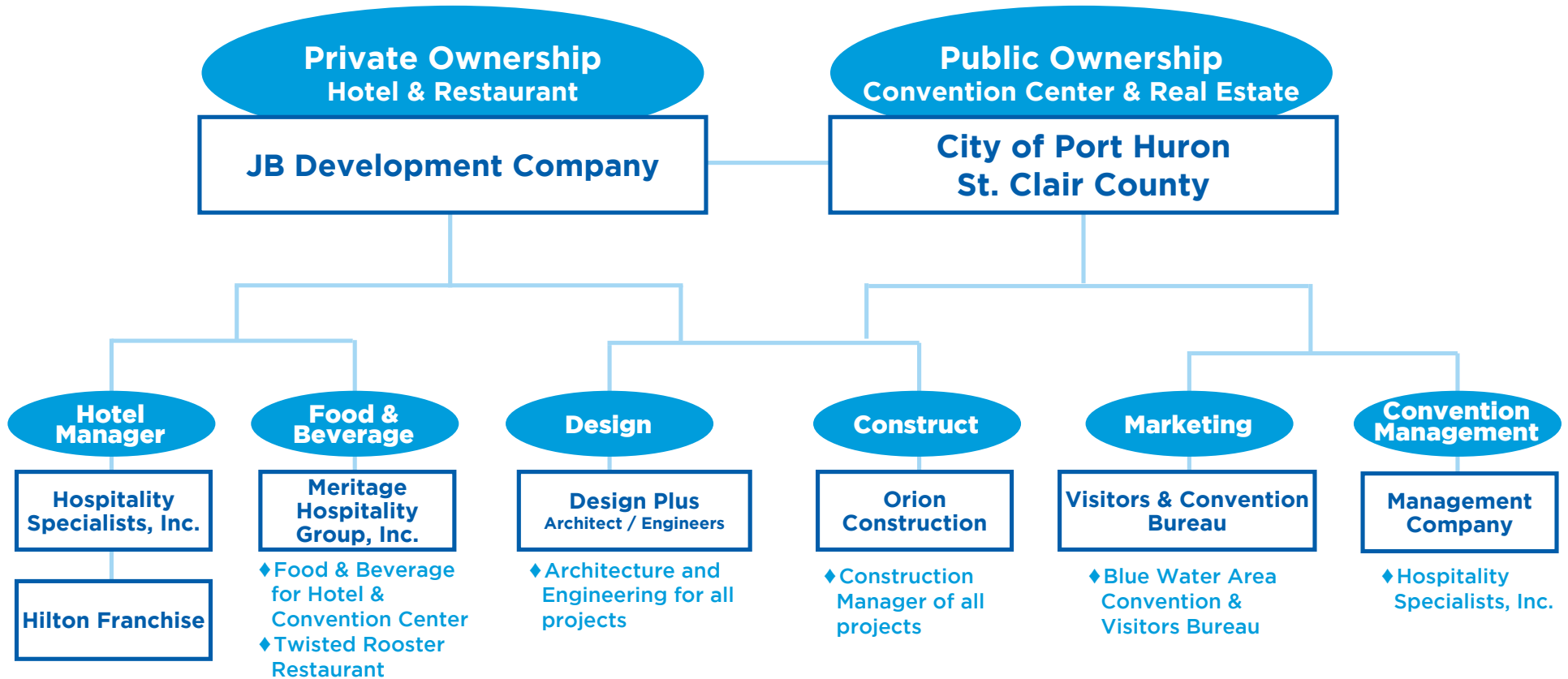
- ◆ Phase Two: 96 Beds of Student Housing



Blue Water Area Convention Center

Port Huron, Michigan

Structure of Development



JB Real Estate Development

JB Real Estate Development was formed by longtime business associates, Robert Schermer and John Wheeler. Together, the partners have completed more than 40 projects over the past 15 years.



Robert Schermer, Jr.
Partner
rschermer@mhgi.com

Robert E. Schermer, Jr. is the CEO of Meritage Hospitality Group Inc. and has served on the Company's Board of Directors since 1996. Mr. Schermer joined the company in 1996 as Vice President of real estate development. Meritage (formerly named Thomas Edison Inn, Inc.) was the original developer of the Thomas Edison Inn in 1986. Meritage sold the Thomas Edison Inn in 1998 to its current owners.

Meritage is one of the nation's premier franchise operators, currently operating 89 quick service and casual dining restaurants. The Company specializes in the development and operation of restaurant and leisure properties. The Company is headquartered in Grand Rapids and employs a workforce of approximately 2,700 in the USA. The Company seeks unique opportunities to capitalize on its substantial development and operating expertise. Meritage's public filings can be viewed at www.otcqx.com, under the stock symbol MHGU, or on the Company's website

www.meritagehospitality.com.



John J. Wheeler
Partner
jwheeler@orionbuilt.com

John is a partner in charge of business development, strategic marketing, growth planning and implementation at Orion Construction.

Prior to joining Orion, John was the CEO of Rockford Construction Company, Inc.— a Grand Rapids based commercial construction company he co-founded in 1987. John based his company on client service, professional delivery of construction and development projects and building a team of partners who were 100 percent focused on the success of both their public and private enterprises. John led Rockford from 1987 until his retirement in 2009.

From 1987 to 2009 Rockford grew from three employees to over 200 and completed 3,150 projects in 28 states. Their combined total volume over that span of time totaled more than \$3 billion.

In 1993, John formed Rockford Development Group, which focused on major urban renovations, industrial and commercial projects. Rockford Development Group completed a portfolio of over 60 projects with a volume in excess of \$200 million, all within the state of Michigan. John still maintains a major real estate portfolio in Michigan.
www.orionbuilt.com



COMPANY HISTORY

Meritage Hospitality was incorporated twenty-five years ago as a public vehicle to finance its first development venture, the Thomas Edison Inn, a 149-room, three-story English Tudor hotel situated on the scenic St. Clair River in Port Huron, Michigan. After twelve years of successfully operating the Thomas Edison Inn, the St. Clair Inn, and the Grand Haven Holiday Inn, Meritage began expanding its hospitality endeavors with Wendy's restaurants in West Michigan. The Thomas Edison Inn was sold in 1998 by the Company to its current Owner-Operator.

MERITAGE TODAY

Today, Meritage Hospitality Group is one of the nation's premier restaurant operators and the only publicly traded Wendy's restaurant franchisees. Over the past decade the Company has expanded its restaurant holdings to 89 restaurants located throughout Michigan, Florida, and Georgia. The Company currently employs 2,700 people in its U.S. operations, with estimated annual restaurant sales of \$100 million.



www.twisted-rooster.com

In 2010 Meritage launched an original wholly-owned restaurant concept called the Twisted Rooster, in Grand Rapids, Michigan. The Company's vision was to create a new casual dining segment platform with a decisively unique culinary experience. Meritage turned to Executive Chef Mark Nosedo II, a graduate of the Culinary Institute of America and Detroit native, to create a true twist to the American cuisine, using local ingredients and prepared from scratch. The Company has experienced a strong consumer response in the original Twisted Rooster restaurant and created two more Twisted Rooster locations in Eastern Michigan in the spring of 2011.

A RETURN TO HOME PORT

Celebrating its 25-year Anniversary, the Company is returning to its home port, the Thomas Edison Inn located in Port Huron, Michigan. We are delighted and truly excited for the opportunity to once again be a part of urban renewal and the next generation of the Thomas Edison Inn, our first project 25 years ago. The new Twisted Rooster restaurant will represent the Company's 90th restaurant in operation, and Port Huron's first Twisted Rooster restaurant, proudly serving the Port Huron community, hotel and convention guests.

www.meritagehospitality.com



Design+

Incorporated in 1979, Design Plus is a full-service architectural and engineering firm whose success over 30+ years is rooted in collaborative relationships.

The Board of Directors is populated with licensed architects, engineers and design professionals, each of whom are actively involved in day-to-day operations. The creation and implementation of ideas which result in great buildings and attractive communities is supported by a cadre of talented individuals working with the latest technology, and the continued success of Design Plus is attributable to the cooperative nature and flexibility of all employees and leaders of the organization.

Design Plus enjoys collaborative relationships with reputable civil, structural and specialty engineering firms located locally, regionally and nationally. Design Plus architects and engineers maintain licensing in Michigan, Indiana, Ohio, Illinois, Missouri, Kentucky, Florida, Colorado, Arizona and Texas, and the firm's outreach continues to expand. Membership in NCARB allows entry into all 50 states. The ability to team with architectural firms in other geographic locations provides clients with a local advantage that has accelerated the reach of the firm and established Design Plus as a player on the national stage.

Beginning as the architect for commercial and industrial clients, moving on to campus planning and construction of housing and classrooms in collegiate environments, and gaining experience in historic renovation, senior housing and non-profit organizational construction of various types, Design Plus has produced traditional and contemporary designs in nearly every sector and continues to relish new challenges even while taking great pride in the volume of successful work that is the foundation of the firm.



John W. Weiss, President and CEO of Design Plus, has provided assistance to public and private sector clients with over \$1.5 billion in economic development projects. He works with communities, assisting in their growth and economic development efforts. His expertise covers financing, budgeting, planning, zoning, grants, site selection and governmental regulations. His background includes roles on various City, Township and County Boards, specific duties for the Chamber of Commerce, Board membership for Kendall College of Art & Design and Irwin Union Bank, and membership in the Michigan Townships Association, the American Society of Public Administrators and the West Michigan Industrial Developers.

James F. Horman, architect and LEED AP, is the Director of Business Development for Design Plus. He lends his creative talents and thoughtful insight to assist clients in realizing their vision and creating workable solutions. Jim's highly artistic graphic presentation skills provide clients with a distinct advantage for marketing and fundraising, communicating ideas using tangible products. Jim is a member of the American Institute of Architects and the National Council of Architectural Registration Boards (NCARB), holds architectural licensing in eight states currently, is a Leadership in Energy and Environmental Design (LEED) Accredited Professional, and is a Board Principal of Design Plus, Inc.



www.design-plus.com





Orion Construction, Inc. was founded in 2000 by partners Gary Postma and John Boonstra. The pair were colleagues at Rockford Construction Company when they decided to combine their skills and start their own firm. These gentlemen leveraged more than 50 years of combined construction, development and financial experience to form a unique type of construction company that provides individual partner involvement on each and every project. Their business model has been well received by owners who know that their project is given top priority.

John Wheeler joined Orion Construction as a partner in charge of business development, strategic marketing, growth planning and implementation. Prior to joining Orion, John was the CEO of Rockford Construction Company, Inc.— a Grand Rapids based commercial construction company he co-founded in 1987.

John Boonstra, Gary Postma and John Wheeler have a combined 90 years of experience in construction and development. Together they focus on providing outstanding client service and the professional delivery of construction projects with a team of associates who are 100 percent attuned to the needs of the Owner. Orion has completed hundreds of projects in the past 11 years with total value over \$250 million.

Services Offered

Orion is a multi-service construction and development resource with the ability to handle projects of any size and complexity. We pride ourselves on our ability to represent the project Owner and work collaboratively with architects, engineers, municipal officials and other construction professionals to deliver a high quality, value-added project.

At Orion Construction, our executive team is involved with each and every project. Beginning in the early project development stages we establish project-specific goals and utilize our expertise to provide value enhancement opportunities. Our insight into activities such as budgeting, value enhancement, scheduling and competitive bidding can positively influence the outcome of the project. We work to minimize risk to our clients through our proven systems, best practices and the competitive resources we provide.

We ensure that our executive team members are an available resource to our clients for the duration of their project—from preconstruction through closeout and beyond. That's our promise.

www.orionbuilt.com





Hospitality Specialists, Inc. is a hotel development and management company based in Jacksonville, Illinois with an operations office in Grand Rapids, Michigan. The company has been operating hotels for more than 30 years with properties in Illinois, Michigan, Wisconsin, Indiana, and Florida. They have extensive experience in developing and managing Hilton and Marriott focused service hotels; and their current portfolio consists of 20 hotels, 10 of which are Hilton branded. Hospitality Specialists, Inc. is recognized as the largest developer of Hilton and Marriott hotels in Michigan.

Hilton Garden Inn is an award-winning, mid-priced brand that offers today's leisure and business traveler everything they might need during their trip, including the brand's key signature offerings of the Garden Sleep System bed, ergonomic Mirra chairs designed by Herman Miller, a 24-hour business center, a 24-hour Pavilion Pantry, and complimentary high speed WiFi internet access. Guests will also be able to earn and redeem Hilton HHonors points at the hotel and take advantage of benefits enjoyed by over 26 million members worldwide.

We are pleased to be involved with the Port Huron project and believe it to be an outstanding venture. We are pleased to recommend the Hilton Garden Inn Brand (HGI) for the hotel component. The HGI brand is instantly recognized as being a quality leader, and the amenities and services it offers fit perfectly with the existing structure of the Thomas Edison Inn. The layout of the guestrooms and the furnishing offered perfectly accommodate both the business traveler and the leisure traveler; and the HGI brand works hand-in-hand with the unique needs of meeting, banquet and convention facilities.

www.hospitalityspecialistsinc.com





The mission of the Blue Water Area Convention & Visitors Bureau has always been dedicated to promoting the Blue Water region as a desirable convention and family tourism destination. We strive to strengthen the economic base of the entire community by marketing its beautiful shoreline, unique attractions and downtown amenities to large groups seeking convention space as well as families looking for a refreshing spot to retreat to.

The Blue Water Area Convention & Visitors Bureau embraces the prospects of a superior convention center and prominent hotel coming to our eastern shores of Michigan. With the addition of this type of facility, the Blue Water region has the opportunity to become a premier convention and vacation destination, thus booking our area hotels and increasing revenue in area restaurants, shops, and recreational attractions.

At this time, the Bureau has been limited to attracting only small conferences and events due to the restricted banquet space currently in the area. The new convention center and facilities will amplify the capabilities therefore allowing the Bureau to market to larger conventions, trade shows, exhibitions, and more. These quality bookings can bring hundreds and thousands of first-time visitors to the Blue Water region to discover what the area has to offer. The influx of customer potential has the power to promote this area to new businesses looking to start-up as well as established businesses looking to grow their base.

Our local market strengths are already in place, including proximity to the largest metropolitan area in the state (40 minute drive from Detroit), accessibility to the interstates (I-94 and I-69) and the friendly, safe perception that our quaint communities offer. The new facility will aid in resolving the weaknesses of our current market which include limitations in hotel guestrooms and inadequate convention space.

The Blue Water Area Convention & Visitors Bureau envisions southeastern Michigan's thumb area and all communities along both shorelines of Lake Huron and the St. Clair River as one of Michigan's top ten desirable destinations. We are excited to promote this charming region to the Metro Detroit area, the Lansing area, to businesses and organizations across Michigan as well as nationally and to Canada. This is just the beginning of opportunity for our eastern shores and we are ready to be discovered.

www.bluewater.org



KRAMER Commercial Properties

In 1978, Gerald Kramer founded Kramer Realty, now known as Kramer Commercial Properties, the first real estate company in St. Clair County dedicated exclusively to commercial and industrial real estate. To date, more than 1,000 successful transactions have been completed. Kramer Commercial Properties provides focused service to commercial and industrial clients and has completed more commercial sales, leases and tax-free exchanges than any other office in St. Clair County. With more than 33 years of combined experience on the Port Huron Planning Commission, the firm is well versed in the current projects and future plans of the community.

Gerry Kramer has earned the designation of S.I.O.R.-Specialist, Industrial and Office Real Estate and is a member of a professional network of 1,000 offices nationwide. He is one of just 2% of Commercial Real Estate Brokers to earn this designation which requires completion of certified classes and ten years experience in commercial and industrial real estate with a minimum sales base of four million per year for five consecutive years.

Clients include:

Fletcher, Fealko, Shoudy & Francis PC
UPS
U-Haul
Manpower
Farm Bureau
Waste Management
Orion Construction
Physician Healthcare Network
Dick's Sporting Goods
Hobby Lobby
Lakes Pilots Association, Inc.
Seaway Community Bank
Mercy Home Care
DieBold, Inc.
St. Clair County Community Mental Health
Curves For Women
Harbor Freight Tools
Marshall E. Campbell Co.
O'Reilly Auto Parts Detroit Edison
Relleum, Inc.

Inmont Corporation
Wirtz Manufacturing
Michigan National Bank
Mortimer Lumber
Guaranty Federal Savings
Daimler Chrysler
AAA Insurance of Michigan
Michigan Bell
Midas Muffler
Black River Country Club
Singer Company
Wingford Farms
Tandy Corporation
Mercy Hospital
Carlson Companies
Speedy Q Markets/By Lo Oil Company
A&P
St. Clair County Road Commission
State of Michigan Social Services
T.C.B.Y.

Tuffy Muffler
Radio Shack
Boron Oil Company
Beard & Campbell
Coca Cola
Grand Trunk Railroad
Texaco, Inc.
Morton Salt
Arby's
7-11 Company
Pepsi
Acheson Ventures, LLC
Art Van
Eastern Michigan Bank
Gander Mountain
Port Huron Hospital
Quality Farm & Fleet
United States Postal Service
Visiting Nurse Association

www.kramerrealty.com





BLUE WATER AREA MASTER PLAN





"THE BLUEWATER BYPASS"

A connector from I-94 to the waterfront

POSSIBLE ROUTES

 New roadway

One-way from Pine Grove to 10th Ave. Repave Harker Street and use facade grants to improve houses facing the street.

Dimensions are approximate
This drawing not for construction purposes





BLUE WATER AREA CONVENTION CENTER














616.458.0875



CONVENTION CENTER FLOOR PLAN





Hilton
Garden Inn



Meritage
Hospitality Group

Hilton
Garden Inn

TWISTED
ROOSTER
Simply Impeccable Food & Drinks

KRAMER
Commercial
Properties



Baker
College

ORION
CONSTRUCTION

Design+
616.458.0875





**BAKER COLLEGE
CULINARY INSTITUTE OF MICHIGAN**



Contact Us

This information was compiled by a team of individuals and organizations who are committed to the success of Blue Water Area Convention Center.

If you have any questions or would like additional information, please contact us.

Thank you.

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